

Chief, D/A + S/TF

20 June 1955

Chief, D/E

CFEP Drafting Group on Economic Defense Policy Review, Staff Studies #8, "Differentials Between U.S. and Multilateral Controls", and #19, "Note on the Balance of Payments of the European Soviet Bloc with the Free World"

Attached are copies of subject reports which were received on June 20, 1955 at 2:30 P.M. for coordination in ORR.

The Dodge Council Drafting Group is scheduled to meet in almost continuous session to review the Staff Studies as rapidly as they become available.

In order to be useful, review by your interested Branches should be made almost immediately.

Comments may be sent or telephoned to Dorothy Jacquelin, Room 203 Central Building, extension 2845, as soon as possible.

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2 Encl.

Staff Study #8
Staff Study #19

D/E/ER:DJ:jms (20 June 55)

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Introductory

under Pursuant to its economic defense *program* objectives, the United States adopted and still maintains *certain* controls stricter and beyond the level of those exercised by other free world governments. *most*

These "differential controls" do not readily lend themselves to *generalizations* ~~generalized explanations and evaluations~~. They differ as to nature, degree, and purpose. They occur in the fields of export controls, import controls, ancillary controls, etc.

Accordingly, this paper contains a brief explanation and analysis of each of the major, existing differential controls. It is hoped that this will afford a basis for determining whether *a particular* ~~such~~ controls should be maintained, tightened, relaxed, or eliminated on the basis of the following test: Does *the* ~~this~~ control *contribute* improve substantially the effective enforcement ~~and accomplishment~~ of our economic defense objectives (e.g., national security, political, etc.,) without causing *disproportionately* ~~disproportionate and significant~~ disadvantages (e.g., impairment of Western *the* ~~unit~~)?